

White House Rules Out Tax Increase

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By Carroll Kilpatrick
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President Nixon began a new series of meetings on the economy yesterday after ruling out the possibility of a tax increase or a return to wage-price controls.

The President summoned his chief economic advisers to a meeting today to consider ways to carry forward the battle against rising wages and prices.

Press secretary Ronald L. Ziegler said that Mr. Nixon would spend most of the day on domestic economic matters.

Last night, the President worked on international economic matters during a cruise on the Potomac aboard the Sequoia with White House staff chief Alexander M. Haig Jr., Maj. Gen. Brent Scowcroft,

deputy assistant for national security affairs, and Kenneth Rush, chief economic aide to the President.

Despite the concentration on economic matters, there were no indications of any immediate policy changes. Officials said there were no plans last night for announcements following today's meetings.

Deputy press secretary Gerald L. Warren said that Mr. Nixon was firmly against a tax boost and also was opposed to a return to wage-price controls.

Warren conceded that Rush, in his new role as chief of the President's economic team, is practicing a form of "jaw-boning" by meeting with labor and management groups to urge restraint in wage and price policy.

Both Rush and Herbert Stein, chairman of the Council of Economic Advisers, said in weekend interviews that more austerity is required to check inflation.

Stein attributed the big boost in living costs to the public's unwillingness to accept higher taxes over the past 10 years. In 1972, Mr. Nixon promised in his campaign that he would not ask for higher taxes, and he has repeated the promise since then.

In the afternoon, the President is scheduled to discuss budget matters with Roy L. Ash, director of the Office of Management and Budget. Mr. Wilson also will confer on energy and related matters with Secretary of the Interior Rogers C.B. Morton and Under Secretary John C. Whitaker.

While the Supreme Court was hearing arguments over the demand for new White House tape recordings, the President held a series of meetings in a business-as-usual manne.

He met for an hour and 15 minutes with Vice President Ford, who is on record as saying the President should abide by any Supreme Court order,

something White House spokesmen have been unwilling to say.

It was assumed that the two men discussed the impeachment proceedings and the subpoena for additional tapes, but Ford said only that they "covered the waterfront."

Warren said the President reported to Ford on his trip to Brussels and the Soviet Union and discussed legislative matters.

Caspar W. Weinberger, Secretary of Health, Education and Welfare, who also conferred with the President, said he was opposed to a tax increase because it would just provide a base for more spending.

The need is for more restraint, Weinberger said. He said he discussed HEW budget problems with the President and proposals for next year's State of the Union message.

Weinberger said he was still working on a program to replace the current welfare system but that it was not yet ready for submission to Congress.

Mr. Nixon also will meet today with James D. Hodgson, newly confirmed ambassador to Japan, and Secretary of the Treasury William E. Simon, who is scheduled to leave Thursday for the Middle East.

It will be Simon's first foreign trip as Secretary of the Treasury and will be a follow-up to the President's discussion of economic problems while on his trip to the Middle East last month.

Simon will visit Egypt, Saudi Arabia, Israel and probably Kuwait. En route home, he will confer in Europe with the finance ministers of Britain, Germany and France.